



Aspen Pharmacare Holdings Limited
Stakeholder Engagement Report 2014



10 000 employees
Products distributed in more than 150 countries
16 consecutive years of double-digit growth

Stakeholder Engagement Report

The Group's Stakeholder Engagement Report is available online at www.aspenpharma.com. Set out below are the key stakeholders with whom the Group engages on a regular basis and the means of engagement.

Stakeholder	Means of engagement
Employees	<ul style="list-style-type: none"> ▶ Routine and specifically scheduled functional and cross-functional meetings as required; ▶ Intranet, internet and notice boards to communicate relevant announcements are accessible to staff across the departments; ▶ Formal and informal face-to-face meetings, as well as video- and teleconference meetings are regularly held with and between employees throughout the Group; ▶ The Aspen News, a newsletter published twice per year with a message from the Group Chief Executive and information on business unit activities affecting the Group, is disseminated to employees; ▶ Business and functional conferences are held and attended by executives and representatives from the relevant business and support functions; ▶ An annual strategic conference is held for executives to discuss Group strategy; ▶ Letters/emails are sent to employees regarding policies, procedures and/or employment-related information; ▶ Workshops, in-service training and training sessions are held to create an awareness of and provide training on new processes, new technology, and for continuous learning; ▶ Annual results presentations and selected strategic announcements are delivered to Group executives and management who then disseminates the information to operational staff; ▶ An open-door policy/culture exists for ongoing communication and interaction among colleagues; ▶ Employee performance, throughout the Group, is managed through formal performance assessments; and ▶ The Tip-offs Anonymous hotline is managed independently for the reporting of fraud, theft and unethical behaviour.
Trade unions	<ul style="list-style-type: none"> ▶ Union representatives are elected to liaise with management on matters affecting union members; and ▶ Management of the various Aspen businesses engage with the relevant employee unions and industrial labour organisations to ensure that ongoing constructive relationships with these stakeholders are maintained.
Bargaining councils and works councils	<ul style="list-style-type: none"> ▶ Meetings are held with bargaining councils and works councils as required and management of the various Aspen businesses represent Aspen at these bodies as appropriate.
Academia/ educational institutions	<ul style="list-style-type: none"> ▶ Interaction is managed with educational institutions and academia as required; and ▶ Aspen representatives attend and present at seminars, conferences, student days hosted by educational institutions and also participate in career development programmes.
Pharmaceutical regulatory authorities	<ul style="list-style-type: none"> ▶ Audits and site inspections are conducted by authorities; ▶ Correspondence, as required, is entered into with regulatory authorities for purposes of managing regulatory matters regarding the regulatory status of facilities and the registration status of intellectual property; and ▶ Meetings are held with regulatory authorities when necessary.
Healthcare industry	<ul style="list-style-type: none"> ▶ Representation on pharmaceutical industry bodies and relevant commercial and trade associations.

Stakeholder Engagement Report continued

Stakeholder	Means of engagement
Suppliers and service providers	<ul style="list-style-type: none"> ➤ Formalised procurement policies and procedures have been established throughout the Group to identify new suppliers and manage existing supplier relationships; ➤ A vendor rating process is in place for supplier performance assessments, the results of which are communicated with suppliers and corrective action plans are negotiated; ➤ Meetings are held with suppliers and service providers as necessary; ➤ Supplier audits are conducted where required; ➤ Identified suppliers are involved in assisting with the supply of materials for new product launch processes where necessary; and ➤ Representatives attend local and international supply symposiums to identify new suppliers and meet with existing suppliers.
Government and local authorities	<ul style="list-style-type: none"> ➤ Interaction with government departments and officials as required; ➤ Cooperation in and contributions to community upliftment projects initiated by government departments and local authorities; and ➤ Engagement on matters such as investment incentives, pricing regulation and industrial policy, as well as commenting on policy proposals.
Customers including national and provincial departments of health, healthcare practitioners, healthcare providers, healthcare funders and patients and/or consumers	<ul style="list-style-type: none"> ➤ Direct calling by qualified sales representatives on the various customer groups; ➤ Representatives participation at relevant conferences to interact with customers; ➤ Product/brand promotion is undertaken to create brand awareness and market products as permissible under the applicable marketing codes; ➤ Implementation of product/brand awareness campaigns and product awareness sessions as relevant; ➤ Correspondence, as required, is sent to customers; ➤ Interaction via Aspen's website www.aspenpharma.com; ➤ Aspen newsletters are sent to customers containing product information, general, relevant information and information about events; ➤ Customer hotlines and medical information hotline; ➤ Site visits to manufacturing facilities as arranged; and ➤ Participation in public and private sector tenders.
Non-governmental organisations and public benefit organisations/ public funders	<ul style="list-style-type: none"> ➤ Interaction by means of conferences and other collaborative engagements, including socio-economic development initiatives with non-governmental organisations focused on social and community upliftment; ➤ Commercial negotiations regarding the procurement of pharmaceutical products by various multilateral procurement agencies; ➤ Interaction with activist organisations either through multilateral forums attended by the relevant senior executives or through personal one-on-one interaction by these executives; and ➤ Engagement with international organisations via direct, indirect and multilateral engagements.

Stakeholder Engagement Report continued

Stakeholder	Means of engagement
Business and alliance partners	<ul style="list-style-type: none"> ➤ Ongoing communication and interaction; ➤ Meetings as required; ➤ Site visits to manufacturing facilities as arranged; ➤ Personal interaction with third parties by relevant senior executives; ➤ Information-sharing projects are undertaken for mutual benefit; and ➤ Dedicated technical transfer project teams are formed to manage manufacturing transfer plans and distribution transfer teams to manage supply arrangements.
Investors, healthcare analysts and media	<ul style="list-style-type: none"> ➤ A dedicated Investor Relations Manager is responsible for the information needs of existing and potential investors and healthcare analysts; ➤ Corporate presentations are delivered by the Group Chief Executive and Deputy Group Chief Executive, to investors, analysts and media for the communication of financial results and for information regarding significant corporate activity; ➤ A conference call follows corporate announcements to accommodate international investors and analysts to provide an opportunity for investor participation; ➤ One-on-one meetings and interviews are held to cater for specific information needs of investors, analysts and media groups; ➤ Within the confines of the rules of the JSE, continuous interaction with investors and media between closed periods; ➤ Distribution of an Integrated Report (with the Annual Financial Statements, Sustainability Report and unabridged Corporate Governance Statement available online) and the interim results to all investors; ➤ Periodic scheduled site visits conducted for investors and analysts; ➤ Securities Exchange News Service announcements are made to communicate information pertaining to corporate activity and Group results; and ➤ Investor-relevant information can be accessed online.
Shareholders	<ul style="list-style-type: none"> ➤ Annual general meetings are held as per statutory requirements; ➤ The Aspen Integrated Report (with the Annual Financial Statements, Sustainability Report and unabridged Corporate Governance Statement available online) is distributed to shareholders; ➤ Shareholders are able to access disclosable information through the Company Secretary & Group Governance Officer and engage with him in respect of any queries they wish to raise in respect of their shareholding in Aspen; ➤ Securities Exchange News Service announcements communicate information pertaining to statutory corporate activities which impact shareholders and directors' share dealings; ➤ Selected statutory information is available online; ➤ Selected announcements are published in the printed press after release on the Securities Exchange News Service; ➤ Statutory correspondence is posted to shareholders as required by the Companies Act and other applicable legislation; and ➤ Institutional shareholders can access information regarding corporate activity through the Investor Relations Manager.

Stakeholder Engagement Report continued

Stakeholder	Means of engagement
Communities	<ul style="list-style-type: none"> ➤ Aspen supports local community projects in South Africa through its SED programme; ➤ Aspen employees worldwide participate in the Nelson Mandela International Day held on 18 July every year; ➤ A dedicated SED Manager in South Africa liaises directly with community project leaders and visits project sites; and ➤ Peer educators offer HIV/AIDS training to communities in South Africa.
Consultants and service providers	<ul style="list-style-type: none"> ➤ Information-sharing and interaction when services are procured for expert/specialist services including technical consultants and the media for public relations and corporate communications; and ➤ A dedicated communications consultant to coordinate liaisons and interaction with members of the media.
Funders and corporate bankers	<ul style="list-style-type: none"> ➤ Regular communication with funders regarding performance against covenants; ➤ Frequent contact with providers of finance to keep abreast of conditions in the capital markets; and ➤ Engagement with bankers in respect of the Group's potential funding requirements.
Tax authorities	<ul style="list-style-type: none"> ➤ Interaction with various tax authorities in respect of Aspen's tax commitments, as appropriate.
Environmental management forums or groups	<ul style="list-style-type: none"> ➤ Regular engagement regarding Aspen's environmental and waste management activities.